



The following document was not prepared by the Office of the State Auditor, but was prepared by and submitted to the Office of the State Auditor by a private CPA firm. The document was placed on this web page as it was submitted. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

Town of Mathiston
Financial Statements
Year Ended September 30, 2003

*Dungan CPA Company
120 South Natchez Street
Kosciusko, Mississippi 39090*

Town of Mathiston
Table of Contents

PAGE

Financial Section

Special Report on Agreed-Upon Procedures for Small Towns.....	4
Accountants' Compilation Report.....	6
Combined Statement of Cash Receipts and Disbursements – All Fund Types	7
Notes to Financial Statements	8

Supplemental Information

Schedule of Investments – All Funds.....	10
Schedule of Long-Term Debt	11
Schedule of Surety Bonds For Municipal Officials.....	12

Town of Mathiston

**Financial Section
September 30, 2003**

Dungan CPA Co.

Kenny Dungan, CPA
120 S Natchez Street
Kosciusko, MS 39090

Telephone 662-289-9007

Fax 662-289-6644

SPECIAL REPORT ON AGREED-UPON PROCEDURES FOR SMALL TOWNS

October 28, 2003

Honorable Mayor and Board of Aldermen
Mathiston, Mississippi

I have applied certain agreed-upon procedures, as discussed below, to the accounting records of Mathiston, Mississippi, as of September 30, 2003, and for the year then ended, as required by the Office of the State Auditor, under the provisions of Section 21-35-31, Miss. Code Ann. (1972). It is understood the report is solely for the use of the governing body of Mathiston, Mississippi and the Office of the State Auditor and should not be used for any other purposes. My procedures and findings are as follows:

1. I reconciled cash on deposit with the following banks to balances in the respective general ledger accounts and obtained confirmation of the related balances from the banks:

Bank	Fund	Balance Per General Ledger
AmSouth Bank	General	\$12,046
AmSouth Bank	General	6,468
AmSouth Bank	General	13,016
AmSouth Bank	General	29,650
AmSouth Bank	General	2,843
AmSouth Bank	General	28,321
Bank of Kiln	General	123,973
AmSouth Bank	General	7,622
AmSouth Bank	Utility	32,367
AmSouth Bank	Utility	982
AmSouth Bank	Utility	9,391

2. I performed the following procedures with respect to taxes on real and personal property (including motor vehicles) levied during the fiscal year:
 - A. Verify use of certified county assessment rolls and trace levies to governing body minutes;
 - B. Examined uncollected taxes for proper handling, including tax sales;
 - C. Traced distribution of taxes collected to proper funds; and
 - D. Analyzed increase in taxes for most recent period for completion with increase limitations of Sections 27-39-320 to 27-39-323, Miss. Code Ann. (1972).

and The distribution of taxes to funds was found to be in accordance with prescribed tax levies, uncollected taxes were determined to be properly handled.

Ad valorem tax collections were found to be within the limitations of Sections 27-39-320 to 27-39-323, Miss. Coed Ann. (1972).

Ad valorem tax collections for the retirement of general obligation debt was found to be sufficient for payment of current principal and interest in accordance with limitations imposed by Sections 21-33-87 and 21-33-303, Miss. Code Ann, (1972).

3. I obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were trace to deposit in the respective bank accounts and recorded in the general ledger without exception. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
Gasoline Tax	General Fund	\$ 2,154
General Municipal Aid	General Fund	375
Homestead Exemption	General Fund	4,586
Other Aid	General Fund	2,800
Sales Tax Allocation	General Fund	153,482
TVA Payments	General Fund	7,349

4. I selected a sample of purchases made by the municipality during the fiscal year. Each sample item was evaluated for compliance with purchasing requirements set forth in Title 31, Chapter 7, Miss. Code Ann. (1972), as applicable.

The sample consisted of the following:

Number of Sample Items	43
Total Dollar Value of Sample	\$ 33,074

I found the municipality's purchasing procedures to be in agreement with the requirements of the above-mentioned sections.

5. I have read the Municipal Compliance Questionnaire completed by the municipality. The completed survey indicated no instances of noncompliance with state requirements.

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, I do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to my attention that caused me to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had I performed additional procedures or had I conducted an audit of the financial statement in accordance with generally accepted auditing standards, matters might have come to my attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Mathiston, Mississippi, for the years ended September 30, 2003.

Dungan CPA Company
October 28, 2003

Dungan CPA Co.

Kenny Dungan, CPA
120 S Natchez Street
Kosciusko, MS 39090

Telephone 662-289-9007
Fax 662-289-6644

Honorable Mayor and Board of Alderman
Town of Mathiston, Mississippi

I have compiled the accompanying statement of cash receipts and disbursements - all fund types as of September 30, 2003, and for the year then ended, in accordance with *Statements on Standards for Accounting and Review Services* established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Dungan CPA Co
October 28, 2003

Town of Mathiston, Mississippi
COMBINED STM OF CASH RECEIPTS AND DISBURSEMENTS
For the Fiscal Year Ended September 30, 2003

Governmental Funds							Totals (Memorandum Only) 2003	Totals (Memorandum Only) 2002
	General	Special Revenue	Capital Projects	Debt Service	Proprietary Funds	Fiduciary Funds		
Revenue Receipts:								
General Property Taxes	\$ 53,869		-	-			\$ 53,869	\$ 45,258
Franchise Tax	9,049						9,049	13,163
Intergovernmental Revenues:								
State Fire Funds	11,183	-	-	-			11,183	53,067
Law Enforcement Assistance Grant		-	-	-			-	-
County Highways & Streets		-	-	-			-	-
State Shared Revenues:								
Sales Tax	153,482	-	-	-			153,482	147,717
Gasoline Tax	2,154	-	-	-			2,154	2,283
TVA Franchise	7,349	-	-	-			7,349	5,782
Homestead Exemption	4,586						4,586	4,326
General Aid to Municipalities	375	-	-	-			375	375
Other Aid to Municipalities	2,800						2,800	2,000
Charges for Services:								
Water & Sewer Utility		-	-	-	\$ 158,524		158,524	218,159
Other Receipts:								
Fines & Forfeits	21,591	-	-	-	-		21,591	23,460
Loan Proceeds							-	50,000
Other General Fund Revenue	26,619	-	-	-	-		26,619	50,147
Transfers	30,546	-	-	-	-		30,546	-
Total Receipts	323,603	-	-	-	158,524	-	482,127	615,737
Cash Balance- Beginning of Year	274,421				80,135		354,556	331,834
Total Amount to Account For	\$ 598,024	\$ -	\$ -	\$ -	\$ 238,659	\$ -	\$ 836,683	\$ 947,571
Operating Disbursements:								
General Government (Executive and Financial)	\$ 79,757	-	-	-	-	-	\$ 79,757	\$ 113,687
Public Safety								
Police	120,172						120,172	112,368
Fire	18,947						18,947	33,342
Civil Defense		-	-	-	-	-	-	22,013
Highways & Streets	23,969						23,969	17,973
Health & Sanitation	51,430						51,430	27,963
Culture & Recreation							-	-
Library	10,020						10,020	11,044
Parks	6,710						6,710	20,229
Enterprises								
Water & Sewer Utility	-	-	-	-	\$ 139,174	-	139,174	191,129
Other								
Loan Repayments	-	-	-	-	14,407	-	14,407	7,000
Interfund Transfers	-				30,021		30,021	36,267
Capitalization	75,397	-	-	-	-	-	75,397	75,397
Total Disbursements	386,402	-	-	-	183,602	-	570,004	668,412
Cash Balance- End of Year	211,892				54,787		266,679	354,556
Total Amount Accounted For	\$ 598,294	\$ -	\$ -	\$ -	\$ 238,389	\$ -	\$ 836,683	\$ 1,022,968

See accompanying notes and accountants' compilation report

TOWN OF MATHISTON
Notes to Financial Statements
September 30, 2003

Note 1 - Summary of significant accounting policies

The town operates under the mayor/board of alderman form of government and provides services as authorized by law.

Reporting Entity:

The financial statement for the town consists of all the funds of the town.

Fund Accounting:

The accounts of the town are organized on the basis of funds, each of which is considered a separate accounting entity.

Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred.

Note 2 – Report Classifications

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

Town of Mathiston
Supplemental Section
September 30, 2003

Town of Mathiston, Mississippi
Schedule of Investments-All Funds
For the Fiscal Year ended September 30, 2003

<u><i>Ownership</i></u>	<u><i>Type of Investment</i></u>	<u><i>Interest Rate</i></u>	<u><i>Acquisition Date</i></u>	<u><i>Maturity Date</i></u>	<u><i>Other Information</i></u>	<u><i>Investment Value</i></u>
General Fund	Certificate of Deposit	3.25%	Oct 24, 2002	Oct 24, 2003	Bank of Kilmichael	\$123,973

Town of Mathiston, Mississippi
Schedule of Long-Term Debt
For the Fiscal Year ended September 30, 2003

<u>Definition & Purpose</u>	<u>Balance Outstanding</u> <u>October 1, 2002</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance Outstanding</u> <u>September 30, 2003</u>
USDA Rural Development	\$14,000		\$6,755	\$7,245
USDA Rural Development	82,967		3,982	78,985
USDA Rural Development	85,000		3,670	81,330
Miss. Development Authority	50,000		6,206	43,794

Town of Mathiston, Mississippi
Schedule of Surety Bonds for Town Officials
September 30, 2003

<u><i>Name</i></u>	<u><i>Position</i></u>	<u><i>Surety</i></u>	<u><i>Bond Amount</i></u>
Rachel Robinson	Town Clerk	Insurance Company	\$50,000
Bonnie Peacock	Deputy Clerk	Insurance Company	50,000
Roger Miller	Police Chief	Insurance Company	50,000
C. B. Anderson	Police	Insurance Company	25,000
William R. Bland II	Police	Insurance Company	25,000
Jeffery D. McMinn	Police	Insurance Company	25,000
Stanley M. Modzeiewski	Police	Insurance Company	25,000
Donald Yates	Police	Insurance Company	25,000

Town of Mathiston
P O Box 178
Mathiston, MS 39752

Office of the State Auditor
P O Box 956
Jackson, MS 39205

Re: Annual Municipal Compilation

Accompanying this letter are two copies of the annual compilation of the Town of Mathiston, Mississippi, for the fiscal year ended September 30, 2003. A separate management letter was not written to the town in connection with this audit.

Sincerely,

Jimmy Carden